Nanette S. Edwards, Executive Director



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April 19, 2021

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE: Joint Petition of Palmetto Electric Cooperative, Inc., Edisto Electric Cooperative, Inc., and Dominion Energy South Carolina, Inc. for the Assignment and

Reassignment of Territory in Beaufort, Jasper, and Hampton Counties and Approval of Agreements to Limit Corridor Rights.

Docket No. 2021-65-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed the joint petition submitted by Dominion Energy South Carolina, Inc. ("DESC" or the "Company"), Palmetto Electric Cooperative, Inc. ("Palmetto Electric"), and Edisto Electric Cooperative, Inc. ("Edisto Electric") (collectively, the "Petitioners") for assignment and reassignment of certain territory in Beaufort, Jasper, and Hampton Counties and approval of agreements to eliminate corridor rights in the specified areas ("Joint Petition").

Overview of Company's Request

The Petitioners request that the Commission issue an order approving the Joint Petition. The Joint Petition includes the following requests: (A) to assign and reassign various territories in Beaufort, Jasper, and Hampton Counties, and (B) to limit corridor rights in specified areas in Beaufort, Jasper, and Hampton Counties. The Joint Petition was executed on February 19, 2021 and was filed with the Commission on February 19, 2021.

As defined by S.C. Code Ann. § 58-27-610(1) (2015), DESC is an electric supplier subject to the jurisdiction of the Commission, and both Palmetto Electric and Edisto Electric are subject to the limited jurisdiction of the Commission as an electric supplier. Under S.C. Code Ann. § 58-

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27-640 (2015), the Commission may assign to electric suppliers' areas outside the corporate limits of municipalities and that are more than 300 feet from the lines of electric suppliers. Also, under S.C. Code Ann. § 58-27-650(A) (2015), the Commission may reassign portions of previously assigned service areas upon agreement of the affected electric suppliers. Additionally, under S.C. Code Ann. § 58-27-620(8) (2015), the Commission has the authority to approve agreements between electric suppliers concerning corridor rights, and the Commission shall approve those agreements if, after filing notice and an opportunity for hearing to interested parties, it finds the agreements to be fair and reasonable.

ORS Recommendation

The Petitioners indicate their Joint Petition resulted from lengthy and good faith negotiations, the desire to avoid duplication of electric distribution lines and appurtenant facilities, and to operate those systems safely. The Petitioners identify that each is fully capable of furnishing adequate and dependable electric service in the areas that each now serves and would serve should the Joint Petition be approved. The proposed Joint Petition will not cause any customers to change their service, that is, no customers will be affected by the Joint Petition. Also, no facilities or territories of any other electric suppliers are affected by the proposed Joint Petition. In addition, the Petitioners have given careful consideration to system economy, service reliably, and good utility practice, efficiency, and safety.

ORS issued discovery to the Company to verify the Company's determinations and information in the Joint Petition and to obtain additional information about the Joint Petition regarding the reasons and driving factors, potential benefits for customers, the classifications and status of the proposed assignment and reassignment territories, and if any other parties or entities would be impacted not affiliated with the Petitioners. In addition, ORS held a virtual meeting with the Company on April 12, 2021 to further discuss the Joint Petition. Based on its review, ORS does not object to the Commission's approval of the Company's Joint Petition filed with Palmetto Electric and Edisto Electric. If approved, ORS recommends requiring the Petitioners to file an amended territorial assignment maps for Beaufort, Jasper, and Hampton Counties to reflect the modifications requested in the Joint Petition.

Please do not hesitate to contact me if you have any questions.

Sincerely,

M. Nelson

All Parties of Record (via e-mail)

David Butler, Esquire (via e-mail)